LITHUANIA PROTESTS RUSSIAN AIRSPACE INCURSION. Two Russian Antonov AN-2 planes on 22 June flew from Belarus to Kaliningrad across Lithuania without asking for permission. One of the pilots told air traffic controllers that they were carrying coffins and did not have enough fuel to fly around Lithuania. Deputy Foreign Minister Albinas Januska said: "We cannot tolerate such acts, If Russia continues to violate Lithuania's airspace, this can touch upon Lithuania's goodwill attitude towards Russian military transit." -- Saulius Girnius, OMRI, Inc.

Alexandr Udalcov, a high-ranking official at the Russian Foreign Ministry responsible for relations with the Baltic States, told Baltic News Service. that the incident was under investigation and that if the incursion was intentional, the perpetrators would be punished.

NATO'S SACEUR VISITS LITHUANIA. Supreme Allied Commander for Europe Gen. George Joulwan arrived in Lithuania on 26 June for a three-day visit. The following day he held talks with Lithuanian Defense Minister Linas Linkevicius and visited the training base at Rukla. He spoke favorably about Lithuania's participation in the Partnership for Peace program and thanked the country for sending peacekeeping troops to Croatia. On 28 June, Joulwan met with President Algirdas Brazauskas, Prime Minister Adolfas Slezevicius, and inspected the Lithuanian fleet at Klaipeda, from where he was scheduled to travel to Latvia and later to Estonia. -- Saulius Girnius, OMRI, Inc.

LITHUANIA LEGALIZES FREE ECONOMIC ZONES. The Seimas, by a vote of 50 to 27 with 9 abstentions, passed a Law on Free Economic Zones (FEZ) on 28 June. The law provides privileges on land, value added, and profit taxes in the FEZ, but bans any economic-commercial activities related to state security and defense, the production of weapons, hazardous and narcotic substances, alcoholic beverages, and tobacco as well as establishing or running gambling houses. The former Soviet military airport at Zokniai near Siauliai and the port of Klaipeda have already done most of the preparatory work for setting up FEZs in their territories. -- Saulius Girnius, OMRI, Inc.